INDEPENDENT AUDITOR'S REPORT

To the Members of Ebix Payment Services Pvt. Ltd. (Formerly known as Itz Cash Card Pvt. Ltd.)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Ebix Payment Services Private Limited (Formerly known as Itz Cash Card Pvt. Ltd.) ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information other than financial statement and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

   (g) The Company is a Private Limited Company and accordingly requirements of Section 197(16) of the Act are not applicable.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

Hitesh Garg
Partner
Membership No. 502955

T R Chadha & Co. LLP
NEW DELHI
Chartered Accountants

Place: Noida
Date: 29th November 2019

UDIN: 19502955AAAADG4838

Ebix Payment Services Private Limited (formerly known as Itz Cash Card Pvt. Ltd.)

"Annexure A" as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

   (c) The company does not have any immovable property and hence clause 3 (i) (c) of the Order is not applicable to the company.

2. (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such physical verification is adequate.

   (b) The Company has generally maintained proper records of inventory. There were no discrepancies between physical verification and the book records.

3. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms' limited liability partnership or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has not granted any loan or given any guarantee or security or made any investment covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

5. The Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the

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T R Chadha & Co. LLP * Chartered Accountants * NEW DELHI

Rules framed thereunder. Accordingly, clause 3(v) of the Order is not applicable to the Company.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

7. (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including employees state insurance, Goods and Services Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it except some delays noticed in deposition of TDS. Further, there were no arrears of undisputed statutory dues as at 31st March 2019, which were outstanding for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues which have not been deposited on account of any dispute.

8. According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any loan or borrowing from financial institutions, banks, Government or debenture holders. Accordingly, clause 3 (viii) of the Order is not applicable to the Company.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.

10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

11. The provisions of Section 197 read with Schedule V of the Companies Act 2013 are not applicable for Private Limited Company. Accordingly, clause 3 (xi) of the Order is not applicable to the Company.

T R Chadha & Co. LLP * Chartered Accountants * NEW DELHI

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.

16. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

Chadha & Co. LLP NEW DELHI Chartered Accountants

Hitesh Garg
Partner
Membership No. 502955

Place: Noida
Date: 29th November 2019
UDIN: 19502955AAAADG4838

Ebix Payment Services Private Limited (Formerly known as Itz Cash Card Pvt Ltd.)

"Annexure B" as referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ebix Payment Services Private Limited (Formerly known as Itz Cash Card Pvt Ltd.) ("the Company") as of 31st March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Ind AS Financial Statements based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS Financial Statements

T R Chadha & Co. LLP * NEW DELHI * Chartered Accountants was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to Ind AS Financial Statements included obtaining an understanding of internal financial control with reference to Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Ind AS Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to Ind AS financial statements includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to Ind AS financial statements and such internal financial controls over financial reporting with reference to Ind AS financial statements were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

T R Chadha & Co. LLP
NEW DELHI
Chartered Accountants

Hitesh Garg
Partner
Membership No. 502955

Place: Noida
Date: 29th November 2019

UDIN : 19502955AAAADG4838

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
CIN - U74999MH2006PTC160835
Balance Sheet as at 31 March 2019
All Amounts in INR Lakhs unless otherwise stated

	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	10.91	2.31
Intangible assets	4	18.07	27.43
Intangible assets under development		670.03	-
Investments in Subsidiary	5	5.00	5.00
Financial Assets			
(i) Investments	6	20.14	20.14
(ii) Loans	7	113.95	63.95
(iii) Other Non-Current Financial Assets	8	89.92	26.18
Non Current Tax Assets (Net)	9	899.87	609.16
Deferred Tax Asset (Net)	10	861.22	962.83
Total Non-Current Assets		**2,689.11**	**1,717.00**
Current Assets			
Inventories	11	376.62	29.23
Financial Assets			
(i) Trade Receivables	12	2,823.26	3,808.89
(ii) Cash and Cash Equivalents	13	10,622.83	7,812.47
(iii) Other Bank Balances	14	1,479.00	2,117.43
(iv) Other Current Financial Assets	15	774.14	6,652.42
Other Current Assets	16	2,168.83	3,045.46
Total Current Assets		**18,244.68**	**23,465.90**
Total Assets		**20,933.79**	**25,182.90**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,687.71	1,687.71
Other Equity	18	9,490.91	9,705.05
Total Equity		**11,178.62**	**11,392.77**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Other Financial Liabilities	19	9.78	13.73
Provisions	20	2.85	2.78
Total Non-Current Liabilities		**12.63**	**16.51**
Current Liabilities			
Financial Liabilities			
(i) Trade Payables			
Micro Small and Medium Enterprises		-	-
Others		3,571.50	4,414.07
(ii) Other Current Financial Liabilities	21	3,229.83	8,276.02
Other Current Liabilities	22	2,864.43	977.40
Provisions	23	76.78	105.63
Total Current Liabilities		**9,742.54**	**13,773.12**
Total Liabilities		**9,755.17**	**13,790.13**
Total Equity and Liabilities		**20,933.79**	**25,182.90**
Notes to Financial Statements	1 to 43		

The accompanying notes are an integral part of these financial statements
This is the Balance Sheet referred to in our report of even date

Significant Accounting Policies 2

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No.: 006711N / N500028

Hitesh Garg
Partner
M. No.: 502955

Place: Noida
Date: 29th November 2019

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

Ebix Payment Services Pvt. Ltd.

For and on behalf of the board of directors of
Ebix Payment Services Pvt. Ltd.
(Formerly known as ITZ Cash Card Pvt. Ltd.)

Satya Bhushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Chopra
Company Secretary
M. No.: 41826

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
CIN - U74999MH2006PTC160835
Statement of Profit and Loss for the year ended 31 March 2019
All Amounts in INR Lakhs unless otherwise stated

Particulars	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue			
Revenue from Operations	24	21,235.42	25,091.15
Other Income	25	185.97	505.81
Total Income		**21,421.39**	**25,596.96**
Expenses			
Purchase of Stock in Trade	26	10,948.30	12,184.71
Change in Inventory of Trading Goods	27	(347.39)	167.74
Employee Benefits Expense	28	834.29	1,724.84
Finance Costs	29	67.56	66.32
Depreciation Expense	30	13.64	6.55
Other Expenses	31	9,986.36	9,585.37
Total Expenses		**21,502.76**	**23,735.53**
Profit/ (Loss) Before Tax		**(81.37)**	**1,861.43**
Tax Expense:			
Current Tax	32	1.44	-
Deferred Tax	32	109.61	(941.76)
Profit/ (Loss) for the Year (A)		(192.42)	2,803.19
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss			
Remeasurement of defined benefit plans		(29.72)	(72.37)
Deferred Tax relating to remeasurement of defined benefit plans		(8.00)	(21.07)
Total Other Comprehensive Income for the Year (B)		(21.72)	(51.30)
Total Comprehensive Income for the Year (A + B)		(214.14)	2,751.89
Earnings per Equity Share of Rs. 10 each	33		
Basic		(0.01)	0.17
Diluted		(0.01)	0.17
Notes on Financial Statements	1 to 43		

The accompanying notes are an integral part of these financial statements
This is the Balance Sheet referred to in our report of even date

Significant Accounting Policies 2

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No.: 006711N / N500028

Hitesh Garg
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Place: Noida
Date: 29th November 2019

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

For and on behalf of the board of directors of
Ebix Payment Services Private Limited
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Director
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Director
DIN: 03511116

Ebix Payment Services Pvt. Ltd.

Rahul Chopra
Company Secretary
M. No.: 41826

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Statement of Changes in Equity for the year ended 31 March 2019
All Amounts in INR Lakhs unless otherwise stated

(a) Equity Share Capital

	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	168,771	1,687.71	167,064	1,670.64
Changes in Equity Share Capital during the year	-	-	1,707	17.07
Balance at the end of the year	168,771	1,687.71	168,771	1,687.71

(b) Other Equity

	Reserves & Surplus		OCI	
	Securities Premium Account	Retained Earnings	Remeasurement of Defined Benefit Plans	Total
Balance as at 31 March 2017	22,957.30	(16,547.54)	(7.97)	6,401.79
Changes in Accounting Policy / Prior Period Errors	-	-	-	-
Restated Balance at the Beginning of the Reporting Period	22,957.30	(16,547.54)	(7.97)	6,401.79
Profit/ (loss) for the year	-	2,803.19	-	2,803.19
Other comprehensive Income/ (Loss) for the year	-	-	(51.30)	(51.30)
Total Comprehensive Income for the year	-	2,803.19	(51.30)	2,751.89
Addition during the year	551.37	-	-	551.37
Balance as at 31 March 2018	23,508.67	(13,744.35)	(59.27)	9,705.05
Changes in Accounting Policy / Prior Period Errors	-	-	-	-
Restated Balance at the Beginning of the Reporting Period	23,508.67	(13,744.35)	(59.27)	9,705.05
Profit/ (loss) for the year	-	(192.42)	-	(192.42)
Other comprehensive Income/ (Loss) for the year	-	-	(21.72)	(21.72)
Total Comprehensive Income for the year	-	(192.42)	(21.72)	(214.14)
Addition during the year	-	-	-	-
Balance as at 31 March 2019	23,508.67	(13,936.77)	(80.99)	9,490.91

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No.: 006711N / N500028

Hitesh Garg
Partner
M. No.: 502955

Place: Noida
Date: 29th November 2019

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

Ebix Payment Services Pvt. Ltd.

For and on behalf of the board of directors of
Ebix Payment Services Private Limited
(Formerly known as ITZ Cash Card Pvt. Ltd.)

Satya Bhushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Chopra
Company Secretary
M. No.: 41826

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Cash Flow Statement for the year ended 31st March 2019
All Amounts in INR Lakhs unless otherwise stated

		For the year ended 31 March 2019	For the year ended 31 March 2018
A	**Cash flows from Operating Activities**		
	Net Profit/ (Loss) after Prior Period Items and Before Tax	(81.37)	1,861.43
	Adjustments For:		
	a) Interest Income	(29.51)	(151.42)
	b) Depreciation	13.64	6.55
	c) Interest Expense	67.56	66.32
	Operating Cash Profit before Working Capital Changes	**(29.68)**	**1,782.88**
	Movement in Working Capital:-		
	a) Increase/(Decrease) in Trade Payables	(842.57)	1,160.28
	b) Increase/(Decrease) in Other Current Liabilities	1,887.03	(1,334.31)
	c) Increase/(Decrease) in Other Non Current Financial Liabilities	(3.95)	1.63
	d) (Increase)/Decrease in Other Non Current Financial Assets	(113.74)	(16.03)
	e) Increase/(Decrease) in Provisions	(58.50)	(136.66)
	f) (Increase)/Decrease in Other Current Financial Assets	6,516.71	3,513.68
	g) (Increase)/Decrease in Inventories	(347.39)	167.73
	h) (Increase)/Decrease in Trade Receivables	985.97	(3,137.48)
	i) (Increase)/Decrease in Other Current Assets	876.63	(807.99)
	j) Increase/(Decrease) in Other Current Financial Liabilities	(5,048.19)	4,875.54
	Cash Generated from/ (used in) Operations	3,822.32	6,069.27
	Less: Income Tax Paid (Net of Refunds)	(291.35)	(262.10)
	Net Cash Generated from/ (used in) Operating Activities before Extraordinary Item	3,530.97	5,807.16
	Outflow for Extraordinary Item	-	-
	Net Cash Generated from/ (used in) Operating Activities (A)	**3,530.97**	**5,807.16**
B	**Cash Flow from Investing Activities:**		
	(Purchase) of Property, Plant and Equipment and Capital Work in Progress	(682.56)	(15.62)
	Net Proceeds of Property, Plant and Equipment and Capital Work in Progress	-	-
	Interest Received	29.51	151.42
	Net Cash Generated from/ (Used in) Investing Activities (B)	**(653.05)**	**135.80**
C.	**Cash Flow from Financing Activities:**		
	Net proceeds/(Repayment) of Long Term Borrowings	-	(17.46)
	Interest Expense Paid	(67.56)	(66.32)
	Issue of Shares	-	568.43
	Net Cash generated from/ (used in) Financing Activities (C)	**(67.56)**	**484.66**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**2,810.36**	**6,427.62**
	Cash and Cash Equivalents at the Beginning of the year	7,812.47	1,384.85
	Cash and Cash Equivalents at the End of the year	**10,622.83**	**7,812.47**
	Component of Cash & Cash Equivalents		
	Cash in Hand	0.06	0.35
	Cheques in Hand	5,251.59	-
	Balance with Bank in Current Account	5,371.18	7,812.12
		10,622.83	**7,812.47**

As per our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No.: 006711N / N500028

Hitesh Garg
Partner
M. No.: 502955

Place: Noida
Date: 29th November 2019

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

For and on behalf of the board of directors of
Ebix Payment Services Private Limited
(Formerly known as ITZ Cash Card Pvt. Ltd.)

Satya Bhushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Ebix Payment Services Pvt. Ltd.

Rahul Chopra
Company Secretary
M. No.: 41826

All Amounts in INR Lakhs unless otherwise stated

3. Property, Plant and Equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2018	Additions	Deletions/ Adjustments	As at 31 March 2019	As at 31 March 2018	Additions	Deletions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Tangible Assets										
Equipments	0.28	9.12	-	9.40	-	1.69	-	1.69	7.71	0.28
Computers	2.93	-	-	2.93	0.90	0.93	-	1.83	1.10	2.03
Furniture and fixtures	-	2.19	-	2.19	-	0.09		0.09	2.10	-
Total	**3.21**	**11.31**	-	**14.52**	**0.90**	**2.71**	-	**3.61**	**10.91**	**2.31**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2017	Additions	Deletions/ Adjustments	As at 31 March 2018	As at 31 March 2017	Additions	Deletions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Tangible Assets										
Equipments	-	0.28	-	0.28	-	-	-	-	0.28	-
Computers	2.82	0.11	-	2.93	-	0.90	-	0.90	2.03	2.82
Total	**2.82**	**0.39**	-	**3.21**	-	**0.90**	-	0.90	2.31	**2.82**

4. Intangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2018	Additions	Deletions/Adjustments	As at 31 March 2019	As at 31 March 2018	Additions	Deletions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Intangible Assets										
Computer softwares	33.08	1.57	-	34.65	5.65	10.93	-	16.58	18.07	27.43
Total	**33.08**	**1.57**	-	**34.65**	**5.65**	**10.93**	-	16.58	**18.07**	**27.43**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2017	Additions	Deletions/ Adjustments	As at 31 March 2018	As at 31 March 2017	Additions	Deletions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Intangible Assets										
Computer softwares	17.84	15.24	-	33.08	-	5.65	-	5.65	27.43	17.84
Total	**17.84**	**15.24**	-	**33.08**	-	**5.65**	-	**5.65**	**27.43**	**17.84**

T R Chadha & Co. LLP ★ NEW DELHI ★ Chartered Accountants

Ebix Payment Services Pvt. Ltd. ★

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Notes to Financial Statements for the year ended 31 March 2019
All Amounts in INR Lakhs unless otherwise stated

	As at 31 March 2019	As at 31 March 2018
5 Investment in Subsidiary		
Investment Measured at Cost		
- In Equity Shares of Subsidiary Companies - Un-quoted, fully paid up		
50,000 (As on 31 March 2018: 50,000) shares of ItzCash Payment Solutions Limited of Rs. 10 each	5.00	5.00
	5.00	**5.00**
Aggregate book value of quoted investments	-	-
Aggregate book value of un-quoted investments	5.00	5.00
6 Investment Others		
Investment Measured at fair value through OCI		
- Investments in Equity Shares of Other Companies - Un-quoted, fully paid-up		
382 (As on 31 March 2018: 382) shares of Jouska Tech Private Limited of Rs. 10 each	20.14	20.14
	20.14	**20.14**
Aggregate book value of quoted investments	-	-
Aggregate book value of un-quoted investments	20.14	20.14
7 Non- Current Loans		
Unsecured, considered good		
Security Deposits	113.95	63.95
	113.95	**63.95**
8 Other Non-Current Financial Assets		
Unsecured, considered good		
Balance with Banks in deposits accounts*	89.92	26.18
	89.92	**26.18**
*includes deposits of Rs. 65.15 Lakhs (As on 31 March 2018: Rs. 26.18 Lakhs) pledged with Bank against guarantee		
9 Non Current Tax Assets (Net)		
Advance tax (Net of provision for income tax)	899.87	609.16
	899.87	**609.16**
10 Deferred Tax Liabilities/ Assets (Net)		
Deferred Tax Liability:	-	-
Deferred Tax Assets:		
Provision for long term employee benefits	20.70	31.57
Difference between Book and Income Tax depreciation	379.44	512.70
Accumulated Losses & Unabsorbed Depreciation	455.00	411.75
Provision for bad & doubtful debts	6.08	6.81
Total	**861.22**	**962.83**

Reconciliation of Deferred Tax Assets/(Liabilities)

Particulars	**As at 31st March 2019**	**As at 31st March 2018**
Opening Balance as on 1st April	962.83	-
Deferred tax income/ (expense) during the period recognised in profit & loss	(109.61)	941.76
Deferred tax income/ (expense) during the period recognised in OCI	8.00	21.07
Closing Balance	**861.22**	**962.83**

	As at 31 March 2019	As at 31 March 2018
11 Inventories		
(At cost or NRV whichever is lower)		
Stock in trade:-		
Prepaid Gift vouchers	376.62	29.23
	376.62	**29.23**

TR Chadha & Co. LLP NEW DELHI Chartered Accountants

Ebix Payment Services Pvt. Ltd.

	As at 31 March 2019	As at 31 March 2018
12 Trade Receivables		
(Unsecured and considered good)		
-from Related parties (Refer Note 37)	2.73	-
-from Others	2,843.91	3,832.27
		-
Less: Allowances for bad & doubtful Debts	23.38	23.38
	2,823.26	**3,808.89**

	As at 31 March 2019	As at 31 March 2018
13 Cash and Cash Equivalents		
Balance with banks:		
- In current account	5,371.18	7,812.12
Cheques in Hand	5,251.59	-
Cash in hand	0.06	0.35
	10,622.83	**7,812.47**

	As at 31 March 2019	As at 31 March 2018
14 Other Bank Balances		
Balance with Banks:		
- In current account#	1,131.19	1,716.62
-In Deposits accounts*	347.81	400.81
	1,479.00	2,117.43

In Escrow accounts as per Reserve Bank of India guidelines on Prepaid Payment Instruments
* Includes bank deposits with original maturity of more than 12 months of Rs. 54.28 Lakhs (As on 31 March 2018: 175.05 Lakhs)
*Deposits of Rs. 144.69 Lakhs (As on 31 March 2018: Rs. 257.38 Lakhs) are pledged with banks against guarantees given and deposits of Rs. 50.00 Lakhs (As on 31 March 2018: Rs. 50.00 Lakhs) are in escrow account.

	As at 31 March 2019	As at 31 March 2018
15 Other Current Financial Assets		
Receivables:		
-from Related Parties (Refer Note 37)	421.13	5,750.16
-from Others	4.50	797.76
		-
Interest Accrued on term deposits	21.18	15.34
Accrued Income*	327.33	89.17
	774.14	**6,652.42**
***Movement in Contract Assets during the year**		
Balance as the beginning of the year	89.17	
Revenue recogized during the year	327.33	
Invoices raised during the year	89.17	
Balance as the end of the year	**327.33**	

	As at 31 March 2019	As at 31 March 2018
16 Other Current Assets		
Advance to Vendors	498.43	1,880.93
Trade Advances to Related Party (Refer Note 37)	1,529.17	1,122.14
GST/Service Tax Credit Receivable	11.89	23.84
Prepaid Expenses	129.34	18.55
	2,168.83	**3,045.46**

TR Chadha & Co. LLP NEW DELHI Chartered Accountants

Ebix Payment Services Pvt. Ltd.

All Amounts in INR Lakhs unless otherwise stated

	As at 31 March 2019	As at 31 March 2018
17 Share Capital		
Authorised:		
20,000,000 (31 March 2018: 20,000,000) Equity Shares of Rs.10 each	2,000.00	2,000.00
5,500,000 (31 March 2018: 5,500,000) Preference Shares of Rs. 100 each	550.00	550.00
	2,550.00	2,550.00
Issued, subscribed & fully paid up:		
16,877,137 (31 March 2018: 16,877,137) Equity Shares of Rs.10 each fully paid up	1,687.71	1,687.71
	1,687.71	1,687.71

a. Terms and rights attached to Equity Shares
The Company has only one class of Equity shares referred to as equity shares each having a par value of Rs. 10 per share. The Equity Shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

b. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

c. Reconciliation of Number of Equity Shares outstanding at the beginning and end of the year :

	Number of Shares	Amount
Outstanding as at 31 March 2018	16,877,137	1,687.71
Equity Shares issued during the year	-	-
Outstanding as at 31 March 2019	16,877,137	1,687.71

d. Shareholders holding more than 5% of the Equity shares in the company

Name of the Shareholders	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	Percentage	No. of Shares	Percentage
Ebix Singapore Pte. Ltd.	-	-	3,731,235	22.11%
EbixCash World Money Limited	3,731,235	22.11%	-	-
Ebix Software India Private Limited	9,770,435	57.89%	9,770,435	57.89%
Intrex India Private Limited	3,355,427	19.88%	3,355,427	19.88%

18 Other Equity	As at 31 March 2019	As at 31 March 2018
a. Securities premium account		
Balance at the beginning of the year	23,508.67	22,957.30
Addition during the year	-	551.37
Balance at the end of the year	23,508.67	23,508.67
b. Retained earnings		
Balance at the beginning of the year	(13,744.35)	(16,547.54)
Add: Profit for the year after taxation as per statement of Profit and Loss	(192.42)	2,803.19
	(13,936.77)	(13,744.35)
c. Other Comprehensive Income		
Remeasurement of defined benefit plans		
Balance at the beginning of the year	(59.27)	(7.97)
Addition during the year	(21.72)	(51.30)
Balance at the end of the year	(80.99)	(59.27)
Total Equity	9,490.91	9,705.05

Nature and purpose of other reserves
Securities premium account
Securities premium account is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

Remeasurement of defined benefit plans
Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:
(a) actuarial gains and losses
(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

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NEW DELHI
Chartered Accountants

Ebix Payment Services Pvt. Ltd.

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Notes to Financial Statements for the year ended 31 March 2019
All Amounts in INR Lakhs unless otherwise stated

	As at 31 March 2019	As at 31 March 2018
19 Other Non-Current Financial Liabilities		
Security Deposits	9.78	13.73
	9.78	**13.73**
20 Long Term Provisions		
Provision for employee benefits		
- Gratuity (Refer Note 39)	2.85	2.78
	2.85	**2.78**
21 Other Current Financial Liabilities		
Advances received for Merchant settlement	3,229.83	8,276.02
	3,229.83	**8,276.02**
22 Other Current Liabilities		
Statutory Dues	84.05	53.79
Advances received from customers	2,629.42	536.78
Expenses Payables	34.40	263.02
Other Payables	116.56	123.81
	2,864.43	**977.40**
23 Short Term Provisions		
Provision for employee benefits		
- Gratuity (Refer Note 39)	7.34	17.38
- Compensated Absences	69.44	88.25
	76.78	**105.63**

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

Ebix Payment Services Pvt. Ltd.

All Amounts in INR Lakhs unless otherwise stated

	For the year ended 31 March 2019	For the year ended 31 March 2018
24 Revenue from Operations		
Sales - Prepaid gift vouchers	10,563.08	12,596.82
Processing/Convenience fees	9,250.15	9,499.72
	19,813.23	**22,096.54**
Other operating income		
Registration/ Renewal fees	638.57	980.64
Prepaid card balances written back	-	160.16
Income from POS Machines	299.92	587.08
Service income	483.70	1,266.73
	1,422.19	**2,994.61**
	21,235.42	**25,091.15**

Revenue dissaggregation as per industry vertical and geography has been included in segment information (Refer Note 36)

25 Other Income		
Interest Income		
Interest on Bank deposits	29.51	29.65
Interest on Loans	-	67.89
Interest on Income tax refunds	-	53.84
Interest on Others	-	0.04
Profit on redemption of units of mutual funds	150.80	142.63
Liabilities no longer required written back	5.46	58.17
Provision no Longer required	-	101.77
Miscellaneous Income	0.20	51.82
	185.97	**505.81**
26 Purchase of Stock in Trade		
Purchase of Prepaid Gift vouchers	10,736.69	12,133.87
Purchase of POS Machines	211.61	50.84
	10,948.30	**12,184.71**
27 Change in Inventory of Trading Goods		
Opening Stock	29.23	196.97
Less: Closing Stock	376.62	29.23
Decrease / (Increase) in Inventories	**(347.39)**	**167.74**
28 Employee Benefits Expense		
Salaries and wages	718.12	1,358.97
Contribution to provident Fund (Refer Note 39)	59.42	78.91
Staff Gratuity Fund (Refer Note 39)	18.39	21.51
Director's Remuneration (Refer Note 37)	-	217.94
Staff welfare expenses	38.36	47.51
	834.29	**1,724.84**
29 Finance Cost		
Interest on Statutory Dues	26.96	0.08
Bank and other financial charges	40.60	66.24
	67.56	**66.32**
30 Depreciation Expense		
Depreciation on Tangible Assets	2.71	0.90
Amortisation on intangible assets	10.93	5.65
	13.64	**6.55**

T R Chadha & Co. LLP
NEW DELHI
Chartered Accountants

Ebix Payment Services Pvt. Ltd.

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Notes to Financial Statements for the year ended 31 March 2019
All Amounts in INR Lakhs unless otherwise stated

	For the year ended 31 March 2019	For the year ended 31 March 2018
31 Other Expenses		
Commission- distribution network	6,779.73	6,759.39
Printing of cash cards	233.87	90.57
Hosting/ Internet charges	190.76	164.49
Software maintenance charges	99.27	117.48
Master/Visa Card charges	240.57	209.90
NPCI Bank charges	194.04	285.99
Other operational charges	850.49	800.18
Rent	53.49	59.29
Rates and taxes	211.27	9.65
Insurance charges	-	0.94
Repairs and maintenance- others	216.28	231.60
Electricity charges	26.95	35.46
Communication expenses	203.84	171.65
Printing and stationary expenses	41.79	23.49
Legal and professional charges	54.69	37.81
Travelling and conveyance expenses	466.01	310.42
Membership and subscription expenses	21.95	65.10
Penalty	23.94	-
Directors sitting fees	-	0.80
Payment to auditors (Refer Note 31.1)	13.50	8.00
Bad debts and advances written off	0.01	0.11
Advertisement and publicity expenses	5.79	102.13
Business promotion expenses	1.42	64.65
Miscellaneous expenses	56.70	36.27
Total	**9,986.36**	**9,585.37**
31.1 Payment to Auditor as:		
Statutory Auditor		
Audit Fees	11.50	7.00
Tax Audit Fees	2.00	1.00
	13.50	**8.00**
32 Income Tax		
32.1 Income Tax Expenses		
Current Tax Expenses		
Current year	-	-
Adjustment for previous Year	1.44	-
	1.44	**-**
Deferred Tax Expenses		
Change in recognised temporary differences	109.61	(941.76)
Total Tax Expenses	**111.05**	**(941.76)**
32.2 Reconciliation of Effective Tax Rate		
Profit/(Loss) before Tax	(81.37)	1,861.43
Applicable Tax Rate	0.26	0.29
Computed Tax Expenses	(21.16)	539.81
Tax Effect of:		
Impact of deferred tax	-	(1,483.95)
Impact of change in rate of deferred tax	103.18	-
Permanent Differences	11.90	-
Tax adjustment of earlier years	1.44	-
Other Adjustments	15.69	2.37
Tax Expenses Recognised in Profit and Loss	111.05	(941.76)
Effective Tax Rate	(1.36)	(0.51)
33 Earning Per Share		
Profit/ (Loss) for the year	(192.42)	2,803.19
Weighted Average Number of Equity Shares of Rs. 10/- each	16,877,137	16,842,061
EPS - Basic and Diluted (Amount in Rs.)	(0.01)	0.17

T R Chadha & Co. LLP
NEW DELHI
Chartered Accountants

Ebix Payment Services Pvt. Ltd.

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Notes to Financial Statements for the year ended 31 March 2019
All Amounts in INR Lakhs unless otherwise stated

34 The information related to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

35 Contingent Liabilities, Contingent Assets and Commitments

A. Contingent Liabilities

Particulars	31-Mar-19	31-Mar-18
Potential Liability under Indirect taxes	552.95	552.95

B. Capital And Other Commitments

a. Estimated amount of contracts on Capital Account and other commitments remaining to be executed and not provided for in accounts Rs. Nil (Previous Year Rs. Nil)

36 Segment Information:

The Company's Chief Operating Decision Maker (CODM), examines the company's performance from product perspective and has identified two reportable operative business segments. The company's significant source of risk and rewards are derived from Retail Business and Gift cards/ vouchers, the performance of which is reviewed by the CODM on a periodic basis and hence considered as individual operative segments.

The company's reportable segments and segment information is presented below:

2018-19

Particulars	Gift Cards/Gift	Retail Networks	Total
Revenue	11,441.82	9,793.61	21,235.42
Segment Result (profit before tax)	(520.43)	596.73	76.31
Unallocable Expenses			373.36
Operating Income			(297.06)
Other Income (net)			185.97
Profit before tax			(111.09)
Tax expenses/(Income)			103.05
Profit for the year			**(214.14)**
Segment Assets	3,474.87	950.31	4,425.18
Unallocable Assets			16,508.61
Total Assets			**20,933.79**
Segment Liabilities	2,896.09	5,777.38	8,673.47
Unallocable Liabilities			867.56
Total Liabilities	**2,896.09**	**5,777.38**	**9,541.03**

2017-18

Particulars	Gift Cards/Gift Vouchers	Retail Networks	Total
Revenue	14,071.33	11,019.82	25,091.15
Segment Result (profit before tax)	1,758.70	5,116.72	6,875.42
Unallocable Expenses	-	-	6,354.80
Operating Income	-	-	520.62
Other Income (net)	-	-	1,345.79
Profit before tax	-	-	1,866.41
Tax expenses/(Income)	-	-	(885.48)
Profit for the year	-	-	**2,751.89**
Segment Assets	5,512.85	7,594.69	13,107.54
Unallocable Assets	-	-	12,075.37
Total Assets	-	-	25,182.90
Segment Liabilities	230.21	12,426.35	12,656.56
Unallocable Liabilities	-	-	1,133.58
Total Liabilities	**230.21**	**12,426.35**	**13,790.13**

37 Related Party Disclosure:-

I List of Related Parties:-

A. Name and nature of relationship with the related party where control exists:

Ebix Inc. USA - Ultimate Holding Company
Ebix Software India Pvt Ltd - Holding Company
ItzCash Payment Solutions Limited - Wholly Owned Subsidiary Company

Fellow subsidiaries of Holding Company or Ultimate Holding Company with whom transactions took place

Ebix Travels Private Limited
Ebix Smartclass Educational Services Pvt Ltd
Leisure Corp Private Limited
Ebix Money Express Private Limited

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NEW DELHI
Chartered Accountants

Services
Ebix

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Notes to Financial Statements for the year ended 31 March 2019

B. Key Management Personnel (KMP)

Mr. Robin Raina	Director
Mr. Ashok Kumar Goel (Upto 31st Mar 2019)	Director
Mr. Mukund Manohar Chitale (Upto 31st Mar 2019)	Director
Mr. Vikas Verma	Director
Mr. Raman Aggarwal (upto 25th Feb 2019)	Director
Mr. Pavan Bhalla	Director
Mr. Satya Bushan Kotru	Director
Mr. Graham John Prior	Director
Mr. Neil David Eckert	Director
Mr. Ravi Singh (upto 23rd Apr 2018)	Director
Mr. Sumit Khadria	Chief Financial Officer

C. Enterprise, over which Key Management Personnel and their relatives exercise significant influence, with whom transactions have taken place during the year:
Interactive Financial & Trading Services Private Limited
Interactive Tradex India Pvt Ltd

II Transactions with related parties during the year ended 31-03-2019 in the ordinary course of business is given below:

Particulars	Companies under Common Control		With Key Management Personnel & Relatives	
	2018-19	2017-18	2018-19	2017-18
Ebix Software India Private Limited				
Payment made on behalf of Ebix Software India Private Limited	60.76	-	-	-
Ebix Travels Private Limited				
Purchase of tickets using portal of Ebix Travels Private Limited	10,448.93	1,561.88	-	-
Ebix Smartclass Educational Services Pvt Ltd				
Sale of Prepaid Gift Cards/ Vouchers	6.33	-	-	-
Ebix Money Express Private Limited				
Trade Advance Given	900.00	-		
Gift card Load Given	1,105.97	-	-	-
Leisure Corp Private Limited				
Trade Advance Given	200.00	-	-	-
Services Received	120.17	-	-	-
Services Given	7.69			
ItzCash Payment Solutions Limited				
Reimbursement of expenses	1.85	-	-	-
Interactive Tradex India Pvt Ltd (ITIPL)				
Payment made by ITIPL on behalf of company	25,508.42	15,514.12	-	-
Trade advance given	429.17	1,122.14		
Services Provided	30.00	336.00	-	-
Services Received	66.00	162.00	-	-
Receipt of principal amount of loan	-	1,375.00	-	-
Receipt of interest on loan	-	12.66	-	-
Interactive Financial & Trading Services Private Limited (IFTSPL)				
Sale of Prepaid Gift Cards/ Vouchers	2,689.82	1,144.64	-	-
Amount collected by IFTSPL on behalf of company	886,882.30	352,601.04	-	-
Receipt against funds collected by IFTSPL on behalf of company	894,261.53	349,453.66	-	-
Commission Paid	816.00	801.98	-	-
Services Received	171.60	360.00	-	-
Services Given	43.20	384.00	-	-
Receipt of principal amount of loan	-	6,000.00	-	-
Receipt of interest on loan	-	55.23	-	-
Remuneration				
Mr. Naveen Surya	-	-	-	148.74
Mr. Devesh Pandya	-	-	-	63.50
Mr. Ravi Singh	-	-	-	69.20
Sitting Fees				
Mr. Mukund Manohar Chitale	-	-	-	0.40
Mr. Mohan Vasant Tanksale	-	-	-	0.40
Outstanding Balances				
Receivable/ (Payable)				
Ebix Travels Private Limited	(633.94)	(1,561.88)	-	-
Ebix Smartclass Educational Services Pvt Ltd	2.73	-	-	-
Interactive Financial & Trading Services Private Limited	421.13	5,750.16	-	-
Interactive Tradex India Pvt Ltd	429.17	1,122.14	-	-
Ebix Money Express Private Limited	900.00	-	-	-
Leisure Corp Private Limited	200.00	-	-	-

Transactions with related parties have been disclosed from or upto the date, the parties became/remain as related parties.

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Ebix Payment Services Pvt. Ltd.

Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Pvt. Ltd.)
Notes to Financial Statements for the year ended 31 March 2019
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38 Details of Loans given, Investments made and Guarantee given covered U/s 186 (4) of the Companies Act, 2013.

During the year, the Company is not having any transaction related to loan, investment and guarantee covered u/s 186 (4) of the Companies Act. The details of transactions during previous year are given below:

Particulars	Loan outstanding as at 1st April 2017	Loan given during the year	Loan recovered during the year	Loan outstanding as at 31st March 2018
A) Loan Given				
Interactive Financial & Trading Services Pvt. Ltd.	1,375.00	-	1,375.00	-
Interactive Tradex India Pvt. Ltd.	6,000.00	-	6,000.00	-
Total	7,375.00	-	7,375.00	-

Notes:
(i) All above inter corporate deposits are given at an interest rate of 7% p.a.
(ii) All the above loans are provided for business purpose of respective entities, repayable on demand with repayment option to the borrowers

39 Employee benefits

The company contributes to the following post-employement defined benefit plans in India

Defined Contribution Plans:
Amount of Rs. 59.42 Lakhs (Previous Year Rs. 78.91 Lakhs) is recognised as expenses and included in "Employee Benefits Expense" in Note 28 of the Statement of Profit and Loss.

Defined Benefit Plan :
The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with "The Employees' Gratuity Fund Scheme" managed by LIC of India.
The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31st March 2019	31st March 2018
(a) Net defined benefit liability		
Liability for Gratuity	10.19	20.16
Total employee Benefit liability	10.19	20.16
Non-Current	2.85	2.78
Current	7.34	17.38

(I) (a) Reconciliation of Opening and Closing balances of the present value of the Defined Benefit Obligation

Particulars	2018-19	2017-18
Present value of Defined Benefit Obligation at the beginning of the year	116.87	129.06
Interest Cost	9.01	8.63
Current Service Cost	16.37	19.77
Acturial Losses/(Gains)	26.74	72.40
Benefits Paid	(49.70)	(113.00)
Present value of Defined Benefit Obligation at the close of the year	119.29	116.87

(b) Changes in the Fair Value of Plan Assets and reconciliation thereof

Particulars	2018-19	2017-18
Fair Value of Plan Assets at the beginning of the year	96.71	109.10
Adjustments		
Add: Actual Return on Plan Assets	5.15	7.92
Add/(Less): Mortality Charges	(0.68)	(0.59)
Add: Employer Contribution	57.62	22.66
Less: Benefits Paid	(49.70)	(42.38)
Fair Value of Plan Assets at the close of the year	109.10	96.71

(c) Amount recognised in the Balance Sheet

Particulars	2018-19	2017-18
Present Value of Defined Benefit Obligation	119.29	116.87
Less: Fair Value of Plan Assets	109.10	96.71
Present value of unfunded obligation	10.19	20.16

(d) Amount recognised in the Statement of Profit and Loss are as follows :

Particulars	2018-19	2017-18
In Income Statement		
Current Service Cost	16.37	19.77
Interest Cost	9.01	8.63
Expected return on Plan Asset	(7.46)	(7.30)
Total	17.92	21.11
In Other Comprehensive Income		
Net actuarial loss/(gain)	(29.72)	72.37
Total	(29.72)	72.37

(e) Investment Details: Funds Managed by Insurer (investment with insurer)	100%	100%

(f) Actuarial Assumptions as at the Balance Sheet date

Particulars	2018-19	2017-18
Discount Rate	7.66%	7.71%
Salary Escalation Rate	6.00%	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.
The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2018-19

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(g) Maturity Profile of Defined benfit Obligations

Year	Amount
0 to 1 Year	2.85
1 to 2 Year	2.44
2 to 3 Year	2.47
3 to 4 Year	3.55
4 to 5 Year	2.45
5 to 6 Year	4.07
6 Year onwards	101.48

(h) Sensitivity Analysis:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate ,expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31st March 2019		As at 31st March 2018	
	Increase	Decrease	Increase	Decrease
Change in discounting rate (delta effect of +/- 0.5%)	(6.97)	7.55	(7.14)	7.76
Change in rate of salary increase (delta effect of +/- 0.5%)	6.97	(6.51)	7.86	(7.28)

40 Lease

The Company has taken various cancellable leases for commercial premises. Lease payments charged during the year to the Statement of Profit and Loss amounts to Rs. 53.49 Lakhs (Previous year Rs. 59.29 Lakhs).

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41 Financial Instruments – Fair Values And Risk Management

I. Fair Value Measurements

A. Financial Instruments By Category*

Particulars	As at 31 March 2019		As at 31 March 2018	
	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Financial assets				
Non-Current Investments	20.14		20.14	
Loans	-	113.95	-	63.95
Other Non-Current Financial Assets	-	89.92	-	26.18
Trade Receivables	-	2,823.26	-	3,808.89
Cash and Cash Equivalents	-	10,622.83	-	7,812.47
Bank Balances Other Than Above	-	1,479.00	-	2,117.43
Other Current Financial Assets	-	774.14	-	6,652.42
	20.14	15,903.10	20.14	20,481.34

*Exclude financial instruments measured at cost

Particulars	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payables	-	3,571.50	-	4,414.07
Other Financial Liabilities	-	3,239.61	-	8,289.75
	-	6,811.11	-	12,703.82

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets measured at Fair Value - recurring fair value measurements

Particulars	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-Current Investments	-	-	20.14	20.14
Total financial assets	-	-	20.14	20.14

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	113.95	113.95
Other Non-Current Financial Assets	-	-	89.92	89.92
Trade Receivables	-	-	2,823.26	2,823.26
Cash And Cash Equivalents	-	-	10,622.83	10,622.83
Bank Balances Other Than Above	-	-	1,479.00	1,479.00
Other Current Financial Assets	-	-	774.14	774.14
Total financial assets	-	-	15,903.10	15,903.10
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payables	-	-	3,571.50	3,571.50
Other Financial Liabilities	-	-	3,239.61	3,239.61
Total financial liabilities	-	-	6,811.11	6,811.11

Financial assets measured at Fair Value - recurring fair value measurements

Particulars	As at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-Current Investments	-	-	20.14	20.14
Total financial assets	-	-	20.14	20.14

Financial Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	63.95	63.95
Other Non-Current Financial Assets	-	-	26.18	26.18
Trade Receivables	-	-	3,808.89	3,808.89
Cash And Cash Equivalents	-	-	7,812.47	7,812.47
Bank Balances Other Than Above	-	-	2,117.43	2,117.43
Other Current Financial Assets	-	-	6,652.42	6,652.42
Total Financial Assets	-	-	20,481.34	20,481.34
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payables	-	-	4,414.07	4,414.07
Other Financial Liabilities	-	-	8,289.75	8,289.75
Total Financial Liabilities	-	-	12,703.82	12,703.82

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-thecounter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

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Valuation technique used to determine fair value
Specific valuation techniques used to value financial instruments include:
-the use of quoted market prices or dealer quotes for similar instruments
-fair value of derivative financial instruments are based on broker quotations
-the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2019		As at 31 March 2018	
Particulars	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial assets				
Loans	113.95	113.95	63.95	63.95
Other Non-Current Financial Assets	89.92	89.92	26.18	26.18
Trade Receivables	2,823.26	2,823.26	3,808.89	3,808.89
Cash and Cash Equivalents	10,622.83	10,622.83	7,812.47	7,812.47
Bank Balances Other Than Above	1,479.00	1,479.00	2,117.43	2,117.43
Other Current Financial Assets	774.14	774.14	6,652.42	6,652.42
	15,903.10	15,903.10	20,481.34	20,481.34
Financial liabilities				
Borrowings	-	-	-	-
Trade Payables	3,571.50	3,571.50	4,414.07	4,414.07
Other Financial Liabilities	3,239.61	3,239.61	8,289.75	8,289.75
	6,811.11	6,811.11	12,703.82	12,703.82

The carrying amounts of trade receivables, cash and cash equivalents, bank balances, other currrent financial assets, trade payables, and other financial liabilities are considered to be the same as their

II. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

Risk Management Framework
The company is exposed primarily to credit, liquidity and market risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

i. Credit Risk

Credit risk is the risk of financial loss to company if a customer or counterparty to the financial instrument fails to meet its financial obligations, and arises principally from company's receivables from customers.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk other than trade receivable.

The company maintains its Cash and cash equivalents and Bank Deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit rating on a timely basis.

The gross carrying amount of trade receivables is Rs. 2846.64 Lakhs (31st March 2018 Rs. 3832.27 Lakhs).

During the period, the Company has made no write-offs of trade receivables. The Company management also pursue all options for recovery of dues wherever necessary based on its internal assessment.A default on a financial asset is when counterparty fails to make payments within 365 days when they fall due.

Reconciliation Of Loss Allowance Provision – Trade Receivables

	31 March 2019	31 March 2018
Opening balance	2,337.65	2,312.52
Changes in loss allowance calculated at life time expected credit losses	-	25.12
Closing balance	2,337.65	2,337.65

ii. Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are to be settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The company has no outstanding long term borrowing and the company believes that working capital is sufficient to meet its current requirements.

(a) Maturities of financial liabilities
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

Particulars	Carrying Amounts 31 March 2019	Contractual cash flows Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Trade payables	3,571.50	3,571.50	-	-	-
Other financial liabilities	3,239.61	3,229.83	-	-	9.78
Total non-derivative liabilities	6,811.11	6,801.33	-	-	9.78

Particulars	Carrying Amounts 31 March 2018	Contractual cash flows Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Trade payables	4,414.07	4,414.07	-	-	-
Other financial liabilities	8,289.75	8,276.02	-	-	13.73
Total non-derivative liabilities	12,703.82	12,690.09	-	-	13.73

iii. Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company does not have any significant Market risk.

a) Currency risk
The Company does not have any exposure in foreign currency and therefore not exposed to currency risk.

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Ebix Payment Services Pvt. Ltd.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's term deposits with banks with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31-Mar-19	31-Mar-18
Fixed Rate Instruments		
Financial Assets	437.73	42,698.59
Financial Liabilities	-	-
	(437.73)	(42,698.59)
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	-
	-	-

Sensitivity analysis

Fixed rate instruments

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	Profit or loss, net of tax		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2019				
Variable Rate Instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2018				
Variable Rate Instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

42 Capital management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance.

The board of directors of the Company review the capital structure of the Company on a an ongoing basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital.

43 The figures of the previous year have been reworked, regrouped, rearranged and reclassified wherever necessary to conform to the current year's presentation.

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg No.: 006711N / N500028

Hitesh Garg
Partner
M. No.: 502955

Place: Noida
Date: 29th November 2019

For and on behalf of the board of directors of
Ebix Payment Services Private Limited
(earlier known as ITZ Cash Card Pvt. Ltd.)

Satya Bhushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Chopra
Company Secretary
M. No.: 41826

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Ebix Payment Services Private Limited (Formerly known as Itz Cash Card Pvt. Ltd.)
Notes to Accounts for the year ended 31st March 2019

1. Reporting Entity

Ebix Payment Services Private Limited (Formerly known as Itz Cash Card Pvt. Ltd.) ("Itz Cash" or "the Company") incorporated in the State of Maharashtra, India is engaged in the business of providing payment solutions to corporate and consumers through Prepaid Payment Instruments as well as providing composite Payment Gateway by accepting Debit/Credit Cards issued by various banks. The Company also issues semi closed Prepaid Payment Instruments as defined under Payment and Settlement System Act, 2007 read with RBI guidelines on Prepaid Payment Instruments.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of Compliance

The Company has prepared financial statements for the year ended March 31, 2019 on a going concern basis following accrual system of accounting and comply with Indian Accounting Standards (Ind AS) as specified under Section 133 of Companies Act 2013 read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c) Functional and presentation currency

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency.

d) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

e) Use of Judgment and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

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Ebix Payment Services Pvt. Ltd. *

Critical Accounting Estimates

i. Useful life of Property, Plant and Equipment

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ii. Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

iii. Defined Benefit Plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv. Income Taxes & Deferred Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

v. Impairment Testing

Investments in subsidiaries and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

vi. Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

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f) Property, plant and equipment:

i. Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment.

Land and buildings acquired/constructed, not intended to be used in the operations of the Company are categorized as investment property.

Any gain/loss on disposal of property, plant and equipment is recognized in Profit and loss account.

ii. Subsequent Measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

iii. Depreciation

Depreciation on fixed assets is calculated on Straight Line Method (SLM) using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013.

Cost of leasehold land is amortized over the lease period.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets having a finite life are subsequently carried at cost less any accumulated amortization and accumulated impairment losses. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

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v. **Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36- 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

g) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- *Debt instruments at amortized cost*
- *Debt instrument at fair value through Other Comprehensive Income (FVTOCI)*
- *Debt instrument at fair value through profit and loss (FVTPL)*
- *Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)*

Debt instruments at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR (effective interest rate) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

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Debt instrument at fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent solely payments of principal and interest

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a)

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the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

Impairment of financial assets

The Company assesses on a forward-looking basis, the expected credit losses associated with the assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected life time losses to be recognized from initial recognition of receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analyzed.

Financial liabilities

Initial recognition and measurement

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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- ***Financial Liabilities measured at amortised cost***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- ***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

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h) Revenue Recognition

The Company earns revenue primarily from prepaid payment instruments (processing fees/ convenience fees) and sale of prepaid gift vouchers. With effective from 1st April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. The Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted the Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to the contracts that are not completed as at the date of initial application. The comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under the Ind AS 18 and Ind AS 11. Refer Note 2 (g) – Significant accounting policies – Revenue recognition in the audited financial statements of the Company for the year ended March 31, 2018, for the revenue recognition policy as per the Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Sale of Goods & Services
Revenue from prepaid payment instruments includes processing fees/ convenience fees which is recognized on utilization of these instruments by the customers. Revenue from sales of prepaid gift vouchers is recognized when the significant risks and rewards of ownership have been transferred to the customers. Revenue from other services including registration/ renewal fees is recognized when such services are completed/ performed as per the agreed terms.

Revenue is measured based on the transaction price, which is the consideration as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The Company disaggregates revenue from contracts with customers by the nature of goods and services.

Interest Income
Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

Dividend Income
Dividend income is recognized, when the right to receive the dividend is established.

i) Foreign currency transactions

a. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.

b. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year-end are translated at exchange rates applicable on year end date.

c. Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at the exchange rate prevailing on the date of transaction and carried at cost.

d. Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

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j) Employee benefits

a. Short term employee benefits

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b. Defined contribution plans

Obligations for contributions to defined contribution plans (Contribution to Provident Fund) are expensed as the related service is provided.

c. Defined benefit plans

The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

k) Borrowing Cost

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments'.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Other borrowing costs are expensed in the period in which they are incurred.

l) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

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a. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

i) Has a legally enforceable right to set off the recognized amounts; and

ii) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognized using balance sheet approach on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax items are recognized in correlation to underline transactions either in Other Comprehensive Income or directly in Equity.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax

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rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgement of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

o) Leases (As Lessee)

Accounting for finance leases

Leases of property, plant and equipment where the Company, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance leases are recorded as property, plant and equipment and the related liability is recognized under borrowings. At the inception of the lease, finance leases are recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Accounting for operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

p) Operating Segment

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance. The Board of Directors and Chief Executive Officer is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can

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be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses, finance costs, income tax expenses and head office income.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, head office assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

q) Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

r) Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019:

Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs notified the new standard to be effective for annual periods beginning on or after 1 April 2019. Ind AS 116, on leases, requires lessees to recognize all leases on the balance sheet. Therefore, leases previously treated as operating leases will now be recognized on balance sheet. A lessee will recognize a right-of-use asset and a lease liability and will accordingly recognize depreciation and interest expense in P&L instead of lease rental recognized earlier. The company believes that there will not be any material impact of this standard on its financial statements.

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